

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1072

Introduced by Adams, 24.

Read first time January 21, 2010

Committee: Education

A BILL

1 FOR AN ACT relating to community colleges; to amend sections  
2 77-3442, 85-960.02, 85-962, 85-966.01, 85-1404, 85-1413,  
3 85-1416, 85-1418, 85-1429, 85-1501, 85-1501.01, 85-1502,  
4 85-1503, 85-1511, 85-1515, 85-1516, 85-1517, 85-1521,  
5 85-1535, 85-2201, 85-2202, 85-2203, 85-2205, 85-2206,  
6 85-2212, 85-2215, 85-2220, 85-2221, 85-2222, 85-2223,  
7 85-2224, 85-2227, 85-2228, and 86-594, Reissue Revised  
8 Statutes of Nebraska, and sections 13-509, 13-518,  
9 13-519, and 85-1412, Revised Statutes Supplement, 2009;  
10 to rename an act and a fund; to change and provide duties  
11 for community colleges and the Coordinating Commission  
12 for Postsecondary Education; to define and redefine  
13 terms; to change provisions relating to aid to community  
14 colleges; to harmonize provisions; to repeal the original

1                    sections; and to declare an emergency.

2    Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 13-509, Revised Statutes Supplement,  
2 2009, is amended to read:

3           13-509 (1) On or before August 20 of each year, the  
4 county assessor shall (a) certify to each governing body or board  
5 empowered to levy or certify a tax levy the current taxable value  
6 of the taxable real and personal property subject to the applicable  
7 levy, and (b) certify to the State Department of Education the  
8 current taxable value of the taxable real and personal property  
9 subject to the applicable levy for all school districts, and  
10 (c) forward a copy of such year's certified taxable values  
11 for community colleges to the Property Tax Administrator. Any  
12 adjustments, modifications, or corrections to or recertification of  
13 such certified taxable values for community colleges reported to  
14 the Property Tax Administrator on or before September 5 of each  
15 year shall be incorporated into the certified taxable values used  
16 to calculate equalization aid pursuant to the Community College  
17 Equalization Aid Act. Current taxable value for real property shall  
18 mean the value established by the county assessor and equalized  
19 by the county board of equalization and the Tax Equalization and  
20 Review Commission. Current taxable value for tangible personal  
21 property shall mean the net book value reported by the taxpayer and  
22 certified by the county assessor.

23           (2) The valuation of any real and personal property  
24 annexed by a political subdivision on or after August 1 shall  
25 be considered in the taxable valuation of the annexing political

1 subdivision the following year.

2           Sec. 2. Section 13-518, Revised Statutes Supplement,  
3 2009, is amended to read:

4           13-518 For purposes of sections 13-518 to 13-522:

5           (1) Allowable growth means (a) for governmental units  
6 other than community colleges, the percentage increase in taxable  
7 valuation in excess of the base limitation established under  
8 section 77-3446, if any, due to improvements to real property as  
9 a result of new construction, additions to existing buildings,  
10 any improvements to real property which increase the value of  
11 such property, and any increase in valuation due to annexation  
12 and any personal property valuation over the prior year and (b)  
13 for community colleges, (i) for fiscal years prior to fiscal year  
14 2003-04 and after fiscal year 2004-05 until fiscal year 2007-08,  
15 the percentage increase in excess of the base limitation, if  
16 any, in full-time equivalent students from the second year to  
17 the first year preceding the year for which the budget is being  
18 determined, (ii) for fiscal year 2003-04 and fiscal year 2004-05,  
19 the percentage increase in full-time equivalent students from the  
20 second year to the first year preceding the year for which the  
21 budget is being determined, and (iii) for fiscal year 2007-08 and  
22 each fiscal year thereafter, community college areas may exceed the  
23 base limitation to equal base revenue need calculated pursuant to  
24 section 85-2223;

25           (2) Capital improvements means (a) acquisition of real

1 property or (b) acquisition, construction, or extension of any  
2 improvements on real property;

3 (3) Governing body has the same meaning as in section  
4 13-503;

5 (4) Governmental unit means every political subdivision  
6 which has authority to levy a property tax or authority to  
7 request levy authority under section 77-3443 except sanitary and  
8 improvement districts which have been in existence for five years  
9 or less and school districts;

10 (5) Qualified sinking fund means a fund or funds  
11 maintained separately from the general fund to pay for acquisition  
12 or replacement of tangible personal property with a useful life of  
13 five years or more which is to be undertaken in the future but  
14 is to be paid for in part or in total in advance using periodic  
15 payments into the fund. The term includes sinking funds under  
16 subdivision (13) of section 35-508 for firefighting and rescue  
17 equipment or apparatus;

18 (6) Restricted funds means (a) property tax, excluding  
19 any amounts refunded to taxpayers, (b) payments in lieu of property  
20 taxes, (c) local option sales taxes, (d) motor vehicle taxes, (e)  
21 state aid, (f) transfers of surpluses from any user fee, permit  
22 fee, or regulatory fee if the fee surplus is transferred to fund a  
23 service or function not directly related to the fee and the costs  
24 of the activity funded from the fee, (g) any funds excluded from  
25 restricted funds for the prior year because they were budgeted for

1 capital improvements but which were not spent and are not expected  
2 to be spent for capital improvements, (h) the tax provided in  
3 sections 77-27,223 to 77-27,227 beginning in the second fiscal year  
4 in which the county will receive a full year of receipts, and (i)  
5 any excess tax collections returned to the county under section  
6 77-1776; and

7 (7) State aid means:

8 (a) For all governmental units, state aid paid pursuant  
9 to sections 60-3,202 and 77-3523;

10 (b) For municipalities, state aid to municipalities  
11 paid pursuant to sections 18-2605, 39-2501 to 39-2520, 60-3,190,  
12 77-27,136, and 77-27,139.04 and insurance premium tax paid to  
13 municipalities;

14 (c) For counties, state aid to counties paid pursuant  
15 to sections 39-2501 to 39-2520, 60-3,184 to 60-3,190, and  
16 77-27,137.03, insurance premium tax paid to counties, and  
17 reimbursements to counties from funds appropriated pursuant to  
18 section 29-3933;

19 (d) For community colleges, state aid to community  
20 colleges paid under the Community College ~~Foundation~~ and  
21 Equalization Aid Act;

22 (e) For natural resources districts, state aid to natural  
23 resources districts paid pursuant to section 77-27,136;

24 (f) For educational service units, state aid appropriated  
25 under sections 79-1241.01 to 79-1241.03; and

1 (g) For local public health departments as defined in  
2 section 71-1626, state aid as distributed under section 71-1628.08.

3 Sec. 3. Section 13-519, Revised Statutes Supplement,  
4 2009, is amended to read:

5 13-519 (1) (a) Subject to ~~subdivisions~~ subdivision (1) (b)  
6 ~~and (c)~~ of this section, for all fiscal years beginning on or after  
7 July 1, 1998, no governmental unit shall adopt a budget containing  
8 a total of budgeted restricted funds more than the last prior  
9 year's total of budgeted restricted funds plus allowable growth  
10 plus the basic allowable growth percentage of the base limitation  
11 established under section 77-3446. For the second fiscal year in  
12 which a county will receive a full year of receipts from the tax  
13 imposed in sections 77-27,223 to 77-27,227, the prior year's total  
14 of restricted funds shall be the prior year's total of restricted  
15 funds plus the total receipts from the tax imposed in sections  
16 77-27,223 to 77-27,227 in the prior year. For fiscal years 2010-11  
17 through 2013-14 in which a county will reassume the assessment  
18 function pursuant to section 77-1340 or 77-1340.04, the prior  
19 year's total of restricted funds shall be the prior year's total  
20 of restricted funds plus the total budgeted for the reassumption  
21 of the assessment function. If a governmental unit transfers the  
22 financial responsibility of providing a service financed in whole  
23 or in part with restricted funds to another governmental unit or  
24 the state, the amount of restricted funds associated with providing  
25 the service shall be subtracted from the last prior year's total

1 of budgeted restricted funds for the previous provider and may  
2 be added to the last prior year's total of restricted funds for  
3 the new provider. For governmental units that have consolidated,  
4 the calculations made under this section for consolidating units  
5 shall be made based on the combined total of restricted funds,  
6 population, or full-time equivalent students of each governmental  
7 unit.

8 ~~(b) For all fiscal years beginning on or after July 1,~~  
9 ~~2005, the last prior year's total of budgeted restricted funds~~  
10 ~~shall be increased for a community college area by adding to such~~  
11 ~~area's fiscal year base-year revenue the amount of revenue to be~~  
12 ~~collected under subdivision (2)(c) of section 85-1517 that is in~~  
13 ~~excess of the amount budgeted under this subdivision in the prior~~  
14 ~~fiscal year.~~

15 ~~(e) (b)~~ For all fiscal years beginning on or after July  
16 1, 2008, educational service units may exceed the limitations  
17 of subdivision (1)(a) of this section to the extent that one  
18 hundred ten percent of the needs for the educational service unit  
19 calculated pursuant to section 79-1241.03 exceeds the budgeted  
20 restricted funds allowed pursuant to subdivision (1)(a) of this  
21 section.

22 (2) A governmental unit may exceed the limit provided in  
23 subdivisions (1)(a) and (b) of this section for a fiscal year by up  
24 to an additional one percent upon the affirmative vote of at least  
25 seventy-five percent of the governing body.

1           (3) A governmental unit may exceed the applicable  
2 allowable growth percentage otherwise prescribed in this section  
3 by an amount approved by a majority of legal voters voting on  
4 the issue at a special election called for such purpose upon the  
5 recommendation of the governing body or upon the receipt by the  
6 county clerk or election commissioner of a petition requesting an  
7 election signed by at least five percent of the legal voters of  
8 the governmental unit. The recommendation of the governing body  
9 or the petition of the legal voters shall include the amount and  
10 percentage by which the governing body would increase its budgeted  
11 restricted funds for the ensuing year over and above the current  
12 year's budgeted restricted funds. The county clerk or election  
13 commissioner shall call for a special election on the issue within  
14 thirty days after the receipt of such governing body recommendation  
15 or legal voter petition. The election shall be held pursuant to the  
16 Election Act, and all costs shall be paid by the governing body.  
17 The issue may be approved on the same question as a vote to exceed  
18 the levy limits provided in section 77-3444.

19           (4) In lieu of the election procedures in subsection (3)  
20 of this section, any governmental unit may exceed the allowable  
21 growth percentage otherwise prescribed in this section by an amount  
22 approved by a majority of legal voters voting at a meeting of  
23 the residents of the governmental unit, called after notice is  
24 published in a newspaper of general circulation in the governmental  
25 unit at least twenty days prior to the meeting. At least ten

1 percent of the registered voters residing in the governmental unit  
2 shall constitute a quorum for purposes of taking action to exceed  
3 the allowable growth percentage. If a majority of the registered  
4 voters present at the meeting vote in favor of exceeding the  
5 allowable growth percentage, a copy of the record of that action  
6 shall be forwarded to the Auditor of Public Accounts along with  
7 the budget documents. The issue to exceed the allowable growth  
8 percentage may be approved at the same meeting as a vote to exceed  
9 the limits or final levy allocation provided in section 77-3444.

10           Sec. 4. Section 77-3442, Reissue Revised Statutes of  
11 Nebraska, is amended to read:

12           77-3442 (1) Property tax levies for the support of local  
13 governments for fiscal years beginning on or after July 1, 1998,  
14 shall be limited to the amounts set forth in this section except as  
15 provided in section 77-3444.

16           (2)(a) Except as provided in subdivision (2)(e) of this  
17 section, school districts and multiple-district school systems,  
18 except learning communities and school districts that are members  
19 of learning communities, may levy a maximum levy of one dollar and  
20 five cents per one hundred dollars of taxable valuation of property  
21 subject to the levy.

22           (b) For each fiscal year, learning communities may levy  
23 a maximum levy for the general fund budgets of member school  
24 districts of ninety-five cents per one hundred dollars of taxable  
25 valuation of property subject to the levy. The proceeds from the

1 levy pursuant to this subdivision shall be distributed pursuant to  
2 section 79-1073.

3 (c) Except as provided in subdivision (2)(e) of this  
4 section, for each fiscal year, school districts that are members  
5 of learning communities may levy for purposes of such districts'  
6 general fund budget and special building funds a maximum combined  
7 levy of the difference of one dollar and five cents on each one  
8 hundred dollars of taxable property subject to the levy minus  
9 the learning community levies pursuant to subdivisions (2)(b) and  
10 (2)(g) of this section for such learning community.

11 (d) Excluded from the limitations in subdivisions (2)(a)  
12 and (2)(c) of this section are amounts levied to pay for  
13 sums agreed to be paid by a school district to certificated  
14 employees in exchange for a voluntary termination of employment  
15 and amounts levied to pay for special building funds and sinking  
16 funds established for projects commenced prior to April 1, 1996,  
17 for construction, expansion, or alteration of school district  
18 buildings. For purposes of this subsection, commenced means any  
19 action taken by the school board on the record which commits  
20 the board to expend district funds in planning, constructing, or  
21 carrying out the project.

22 (e) Federal aid school districts may exceed the maximum  
23 levy prescribed by subdivision (2)(a) or (2)(c) of this section  
24 only to the extent necessary to qualify to receive federal aid  
25 pursuant to Title VIII of Public Law 103-382, as such title existed

1 on September 1, 2001. For purposes of this subdivision, federal  
2 aid school district means any school district which receives ten  
3 percent or more of the revenue for its general fund budget from  
4 federal government sources pursuant to Title VIII of Public Law  
5 103-382, as such title existed on September 1, 2001.

6 (f) For school fiscal year 2002-03 through school fiscal  
7 year 2007-08, school districts and multiple-district school systems  
8 may, upon a three-fourths majority vote of the school board of  
9 the school district, the board of the unified system, or the  
10 school board of the high school district of the multiple-district  
11 school system that is not a unified system, exceed the maximum  
12 levy prescribed by subdivision (2)(a) of this section in an amount  
13 equal to the net difference between the amount of state aid that  
14 would have been provided under the Tax Equity and Educational  
15 Opportunities Support Act without the temporary aid adjustment  
16 factor as defined in section 79-1003 for the ensuing school fiscal  
17 year for the school district or multiple-district school system  
18 and the amount provided with the temporary aid adjustment factor.  
19 The State Department of Education shall certify to the school  
20 districts and multiple-district school systems the amount by which  
21 the maximum levy may be exceeded for the next school fiscal year  
22 pursuant to this subdivision (f) of this subsection on or before  
23 February 15 for school fiscal years 2004-05 through 2007-08.

24 (g) For each fiscal year, learning communities may levy a  
25 maximum levy of two cents on each one hundred dollars of taxable

1 property subject to the levy for special building funds for member  
2 school districts. The proceeds from the levy pursuant to this  
3 subdivision shall be distributed pursuant to section 79-1073.01.

4 (h) For each fiscal year, learning communities may levy  
5 a maximum levy of five cents on each one hundred dollars of  
6 taxable property subject to the levy for elementary learning center  
7 facilities and for up to fifty percent of the estimated cost for  
8 capital projects approved by the learning community coordinating  
9 council pursuant to section 79-2111.

10 (3) Community colleges may levy a maximum levy for  
11 operating expenditures calculated pursuant to the Community College  
12 ~~Foundation and~~ Equalization Aid Act on each one hundred dollars of  
13 taxable property subject to the levy. Community colleges may also  
14 levy the additional levies provided in subsections (2) and (3) of  
15 section 85-1517.

16 (4) (a) Natural resources districts may levy a maximum  
17 levy of four and one-half cents per one hundred dollars of taxable  
18 valuation of property subject to the levy.

19 (b) Natural resources districts shall also have the power  
20 and authority to levy a tax equal to the dollar amount by which  
21 their restricted funds budgeted to administer and implement ground  
22 water management activities and integrated management activities  
23 under the Nebraska Ground Water Management and Protection Act  
24 exceed their restricted funds budgeted to administer and implement  
25 ground water management activities and integrated management

1 activities for FY2003-04, not to exceed one cent on each one  
2 hundred dollars of taxable valuation annually on all of the taxable  
3 property within the district.

4 (c) In addition, natural resources districts located in  
5 a river basin, subbasin, or reach that has been determined to  
6 be fully appropriated pursuant to section 46-714 or designated  
7 as overappropriated pursuant to section 46-713 by the Department  
8 of Natural Resources shall also have the power and authority to  
9 levy a tax equal to the dollar amount by which their restricted  
10 funds budgeted to administer and implement ground water management  
11 activities and integrated management activities under the Nebraska  
12 Ground Water Management and Protection Act exceed their restricted  
13 funds budgeted to administer and implement ground water management  
14 activities and integrated management activities for FY2005-06, not  
15 to exceed three cents on each one hundred dollars of taxable  
16 valuation on all of the taxable property within the district for  
17 fiscal year 2006-07 and each fiscal year thereafter through fiscal  
18 year 2011-12.

19 (5) Any educational service unit authorized to levy a  
20 property tax pursuant to section 79-1225 may levy a maximum levy of  
21 one and one-half cents per one hundred dollars of taxable valuation  
22 of property subject to the levy.

23 (6)(a) Incorporated cities and villages which are not  
24 within the boundaries of a municipal county may levy a maximum levy  
25 of forty-five cents per one hundred dollars of taxable valuation

1 of property subject to the levy plus an additional five cents per  
2 one hundred dollars of taxable valuation to provide financing for  
3 the municipality's share of revenue required under an agreement  
4 or agreements executed pursuant to the Interlocal Cooperation Act  
5 or the Joint Public Agency Act. The maximum levy shall include  
6 amounts levied to pay for sums to support a library pursuant  
7 to section 51-201, museum pursuant to section 51-501, visiting  
8 community nurse, home health nurse, or home health agency pursuant  
9 to section 71-1637, or statue, memorial, or monument pursuant to  
10 section 80-202.

11 (b) Incorporated cities and villages which are within the  
12 boundaries of a municipal county may levy a maximum levy of ninety  
13 cents per one hundred dollars of taxable valuation of property  
14 subject to the levy. The maximum levy shall include amounts paid  
15 to a municipal county for county services, amounts levied to pay  
16 for sums to support a library pursuant to section 51-201, a museum  
17 pursuant to section 51-501, a visiting community nurse, home health  
18 nurse, or home health agency pursuant to section 71-1637, or a  
19 statue, memorial, or monument pursuant to section 80-202.

20 (7) Sanitary and improvement districts which have been in  
21 existence for more than five years may levy a maximum levy of forty  
22 cents per one hundred dollars of taxable valuation of property  
23 subject to the levy, and sanitary and improvement districts which  
24 have been in existence for five years or less shall not have  
25 a maximum levy. Unconsolidated sanitary and improvement districts

1 which have been in existence for more than five years and are  
2 located in a municipal county may levy a maximum of eighty-five  
3 cents per hundred dollars of taxable valuation of property subject  
4 to the levy.

5 (8) Counties may levy or authorize a maximum levy of  
6 fifty cents per one hundred dollars of taxable valuation of  
7 property subject to the levy, except that five cents per one  
8 hundred dollars of taxable valuation of property subject to the  
9 levy may only be levied to provide financing for the county's  
10 share of revenue required under an agreement or agreements executed  
11 pursuant to the Interlocal Cooperation Act or the Joint Public  
12 Agency Act. The maximum levy shall include amounts levied to pay  
13 for sums to support a library pursuant to section 51-201 or museum  
14 pursuant to section 51-501. The county may allocate up to fifteen  
15 cents of its authority to other political subdivisions subject  
16 to allocation of property tax authority under subsection (1) of  
17 section 77-3443 and not specifically covered in this section to  
18 levy taxes as authorized by law which do not collectively exceed  
19 fifteen cents per one hundred dollars of taxable valuation on any  
20 parcel or item of taxable property. The county may allocate to  
21 one or more other political subdivisions subject to allocation  
22 of property tax authority by the county under subsection (1) of  
23 section 77-3443 some or all of the county's five cents per one  
24 hundred dollars of valuation authorized for support of an agreement  
25 or agreements to be levied by the political subdivision for the

1 purpose of supporting that political subdivision's share of revenue  
2 required under an agreement or agreements executed pursuant to the  
3 Interlocal Cooperation Act or the Joint Public Agency Act. If an  
4 allocation by a county would cause another county to exceed its  
5 levy authority under this section, the second county may exceed  
6 the levy authority in order to levy the amount allocated. Property  
7 tax levies for costs of reassumption of the assessment function  
8 pursuant to section 77-1340 or 77-1340.04 are not included in the  
9 levy limits established in this subsection for fiscal years 2010-11  
10 through 2013-14.

11 (9) Municipal counties may levy or authorize a maximum  
12 levy of one dollar per one hundred dollars of taxable valuation  
13 of property subject to the levy. The municipal county may allocate  
14 levy authority to any political subdivision or entity subject to  
15 allocation under section 77-3443.

16 (10) Property tax levies for judgments, except judgments  
17 or orders from the Commission of Industrial Relations, obtained  
18 against a political subdivision which require or obligate a  
19 political subdivision to pay such judgment, to the extent such  
20 judgment is not paid by liability insurance coverage of a  
21 political subdivision, for preexisting lease-purchase contracts  
22 approved prior to July 1, 1998, for bonded indebtedness approved  
23 according to law and secured by a levy on property except as  
24 provided in section 44-4317 for bonded indebtedness issued by  
25 educational service units and school districts, and for payments by

1 a public airport to retire interest-free loans from the Department  
2 of Aeronautics in lieu of bonded indebtedness at a lower cost to  
3 the public airport are not included in the levy limits established  
4 by this section.

5 (11) The limitations on tax levies provided in this  
6 section are to include all other general or special levies  
7 provided by law. Notwithstanding other provisions of law, the  
8 only exceptions to the limits in this section are those provided by  
9 or authorized by sections 77-3442 to 77-3444.

10 (12) Tax levies in excess of the limitations in this  
11 section shall be considered unauthorized levies under section  
12 77-1606 unless approved under section 77-3444.

13 (13) For purposes of sections 77-3442 to 77-3444,  
14 political subdivision means a political subdivision of this state  
15 and a county agricultural society.

16 (14) For school districts that file a binding resolution  
17 on or before May 9, 2008, with the county assessors, county clerks,  
18 and county treasurers for all counties in which the school district  
19 has territory pursuant to subsection (7) of section 79-458, if the  
20 combined levies, except levies for bonded indebtedness approved by  
21 the voters of the school district and levies for the refinancing  
22 of such bonded indebtedness, are in excess of the greater of (a)  
23 one dollar and twenty cents per one hundred dollars of taxable  
24 valuation of property subject to the levy or (b) the maximum  
25 levy authorized by a vote pursuant to section 77-3444, all school

1 district levies, except levies for bonded indebtedness approved by  
2 the voters of the school district and levies for the refinancing of  
3 such bonded indebtedness, shall be considered unauthorized levies  
4 under section 77-1606.

5 Sec. 5. Section 85-960.02, Reissue Revised Statutes of  
6 Nebraska, is amended to read:

7 85-960.02 The community college areas shall serve as  
8 the primary public postsecondary institutions for foundations  
9 education. Each community college area shall identify and  
10 implement best practices and promising initiatives for the  
11 provision of foundations education. The Coordinating Commission for  
12 Postsecondary Education shall develop, in consultation with the  
13 community college areas, indicators for measuring the outcomes of  
14 students receiving foundations education courses. Such outcomes  
15 shall be reported by the commission in the report required pursuant  
16 to section 85-1429 beginning in 2011 and annually thereafter.

17 Sec. 6. Section 85-962, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19 85-962 The Legislature recognizes the importance of  
20 community colleges in providing students with the education and job  
21 skills necessary for the modern workforce. It is the intent of the  
22 Legislature that the community colleges shall be student-centered,  
23 open-access institutions primarily devoted to quality instruction  
24 and public service, providing counseling and other student services  
25 intended to promote the success of a diverse student population,

1 particularly those who have been traditionally underserved in other  
2 educational settings.

3 The community colleges are further encouraged to  
4 collaborate (1) with elementary and secondary education to further  
5 enhance the college readiness and career readiness of high school  
6 students through the provision of appropriate dual-credit courses,  
7 with particular emphasis on enabling full participation in such  
8 courses by low-income students, and (2) with the University of  
9 Nebraska and the state colleges in the articulation of general  
10 academic transfer programs pursuant to section 85-963.

11 The community colleges, individually and collectively,  
12 shall have as their first instructional and service priority  
13 applied technology and occupational education and, when necessary,  
14 foundations education. The second instructional and service  
15 priority of the community colleges shall be transfer education,  
16 including general academic transfer programs, or applied technology  
17 and occupational programs which may be applicable to the  
18 first two years of a bachelor's degree program, and, when  
19 necessary, foundations education. The third instructional and  
20 service priority of the community colleges shall be public  
21 service, particularly adult continuing education for occupations  
22 and professions, economic and community development focused on  
23 customized occupational assessment and job training programs  
24 for businesses and communities, and avocational and personal  
25 development courses. The fourth instructional and service priority

1 of the community colleges shall be applied research.

2           Sec. 7. Section 85-966.01, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           85-966.01 After January 1, 1995, the Legislature shall  
5 not change the role and mission provisions in this section and  
6 sections 85-917 to 85-966 unless and until a proposal for such  
7 change has first been reviewed or recommended by the Coordinating  
8 Commission for Postsecondary Education and its recommendations on  
9 such proposal have been given to the Legislature pursuant to  
10 subdivision (2) or (15) of section 85-1412, section 85-1414, or  
11 otherwise.

12           Sec. 8. Section 85-1404, Reissue Revised Statutes of  
13 Nebraska, is amended to read:

14           85-1404 The purposes of the Coordinating Commission for  
15 Postsecondary Education established by Article VII, section 14,  
16 of the Constitution of Nebraska and section 85-1403 shall be  
17 to (1) develop an ongoing comprehensive statewide plan for the  
18 operation of an educationally and economically sound, vigorous,  
19 progressive, and coordinated system of postsecondary education, (2)  
20 identify and enact policies to meet the educational, research,  
21 and public service needs of the state, and (3) effect the best  
22 use of available resources through the elimination of unnecessary  
23 duplication of programs and facilities among Nebraska's public  
24 institutions or sectors.

25           In carrying out its powers and duties, the commission

1 shall consider the need for diversity of public institutions and  
2 the need for addressing regional needs but shall above all reflect  
3 a commitment to a perspective in decisionmaking and planning for  
4 postsecondary education which will best serve the state as a whole  
5 consistent with the role and mission assignment of each public  
6 institution or sector.

7           The commission shall work with the public institutions  
8 to encourage and sustain their aspirations consistent with the  
9 comprehensive statewide plan and in a manner designed to achieve a  
10 vision of statewide postsecondary education. The commission shall  
11 not be an advocate for any one public institution or sector but  
12 shall strive for a balance and responsiveness among all public  
13 institutions and sectors.

14           Sec. 9. Section 85-1412, Revised Statutes Supplement,  
15 2009, is amended to read:

16           85-1412 The commission shall have the following  
17 additional powers and duties:

18           (1) Conduct surveys and studies as may be necessary to  
19 undertake the coordination function of the commission pursuant  
20 to section 85-1403 and request information from governing  
21 boards and appropriate administrators of public institutions and  
22 other governmental agencies for research projects. All public  
23 institutions and governmental agencies receiving state funds  
24 shall comply with reasonable requests for information under this  
25 subdivision. Public institutions may comply with such requests

1 pursuant to section 85-1417;

2           (2) Recommend to the Legislature and the Governor  
3 legislation it deems necessary or appropriate to improve  
4 postsecondary education in Nebraska and any other legislation it  
5 deems appropriate to change the role and mission provisions in  
6 sections 85-917 to 85-966.01;

7           (3) Establish any advisory committees as may be necessary  
8 to undertake the coordination function of the commission pursuant  
9 to section 85-1403 or to solicit input from affected parties  
10 such as students, faculty, governing boards, administrators  
11 of the public institutions, administrators of the private  
12 nonprofit institutions of postsecondary education and proprietary  
13 institutions in the state, and community and business leaders  
14 regarding the coordination function of the commission;

15           (4) Participate in or designate an employee or employees  
16 to participate in any committee which may be created to prepare  
17 a coordinated plan for the delivery of educational programs and  
18 services in Nebraska through the telecommunications system;

19           (5) Seek a close liaison with the State Board of  
20 Education and the State Department of Education in recognition  
21 of the need for close coordination of activities between elementary  
22 and secondary education and postsecondary education;

23           (6) Administer the Integrated Postsecondary Education  
24 Data System or other information system or systems to provide the  
25 commission with timely, comprehensive, and meaningful information

1 pertinent to the exercise of its duties. The information system  
2 shall be designed to provide comparable data on each public  
3 institution. The commission shall also administer the uniform  
4 information system prescribed in sections 85-1421 to 85-1427 known  
5 as the Nebraska Educational Data System. Public institutions shall  
6 supply the appropriate data for the information system or systems  
7 required by the commission;

8 (7) Administer the Access College Early Scholarship  
9 Program Act and the Nebraska Scholarship Act;

10 (8) Accept and administer loans, grants, and programs  
11 from the federal or state government and from other sources, public  
12 and private, for carrying out any of its functions, including  
13 the administration of privately endowed scholarship programs. Such  
14 loans and grants shall not be expended for any other purposes than  
15 those for which the loans and grants were provided. The commission  
16 shall determine eligibility for such loans, grants, and programs,  
17 and such loans and grants shall not be expended unless approved by  
18 the Governor;

19 (9) Consistent with section 85-1620, approve, in a  
20 timely manner, new baccalaureate degree programs to be offered  
21 at private postsecondary career schools as defined in section  
22 85-1603. The commission may charge a reasonable fee based on  
23 its administrative costs for authorizations pursuant to this  
24 subdivision and section 85-1620. The commission shall report such  
25 action to the Commissioner of Education;

1           (10) Pursuant to sections 85-1101 to 85-1104, authorize  
2 out-of-state institutions of higher or postsecondary education to  
3 offer courses or degree programs in this state;

4           (11) Pursuant to sections 85-1105 to 85-1111, approve  
5 or disapprove petitions to establish new private colleges in this  
6 state;

7           (12) On or before December 1, 2000, and on or before  
8 December 1 every two years thereafter, submit to the Legislature  
9 and the Governor a report of its objectives and activities and  
10 any new private colleges in Nebraska and the implementation of any  
11 recommendations of the commission for the preceding two calendar  
12 years;

13           (13) Provide staff support for interstate compacts on  
14 postsecondary education;

15           (14) Request inclusion of the commission in any existing  
16 grant review process and information system; and

17           (15) Facilitate a study that explores the following  
18 issues related to the Nebraska community college system:

19           (a) The need for changes to the statutory role and  
20 mission of Nebraska community colleges;

21           (b) Changes in the weighting of courses that may be  
22 necessary for reimbursable educational units to properly reflect  
23 the role and mission of Nebraska community colleges and the cost of  
24 providing such courses;

25           (c) Powers, duties, and mission of the Nebraska Community

1 College Association or its successor and whether membership in such  
2 an association should be required;

3 (d) Consequences for failing to satisfy current community  
4 college association membership requirements contained in section  
5 85-1502; and

6 (e) State coordination of community colleges in the  
7 absence of a community college association or membership therein.

8 The commission shall include and facilitate discussion  
9 among the state's community colleges in the completion of such  
10 study. Each community college shall participate in good faith with  
11 the conduct of such study. The commission shall report its findings  
12 to the Legislature on or before December 15, 2009; ~~and-~~

13 (16) Perform the following duties related to community  
14 colleges and the Community College Equalization Aid Act:

15 (a) In consultation with community college areas, develop  
16 indicators for measuring the success of community college areas in  
17 fulfilling their statutory role and mission assignments, including  
18 indicators for measuring the outcomes of students receiving  
19 foundations education courses as required pursuant to section  
20 85-966.02. The performance of community college areas, individually  
21 and collectively, on such indicators shall be reported by the  
22 commission in the report required pursuant to section 85-1429  
23 beginning in 2011 and annually thereafter;

24 (b) Perform the duties described in section 18 of this  
25 act related to reimbursable educational units;

1           (c) Prescribe uniform practices and procedures for the  
2 auditing, collection, and reporting of data necessary to carry out  
3 the Community College Equalization Aid Act; and

4           (d) Adopt and promulgate rules and regulations to carry  
5 out the Community College Equalization Aid Act pursuant to section  
6 85-2221.

7           Sec. 10. Section 85-1413, Reissue Revised Statutes of  
8 Nebraska, is amended to read:

9           85-1413 (1) Pursuant to the authority granted in  
10 Article VII, section 14, of the Constitution of Nebraska and  
11 the Coordinating Commission for Postsecondary Education Act, the  
12 commission shall establish and revise as needed a comprehensive  
13 statewide plan for postsecondary education which shall include (a)  
14 definitions of the role and mission of each public postsecondary  
15 educational institution within any general assignments of role  
16 and mission as prescribed in sections 85-917 to 85-966 and (b)  
17 a plan for facilities which utilize tax funds designated by the  
18 Legislature.

19           (2) Beginning on September 1, 1999, the commission shall  
20 work in consultation with the governing boards in revising the  
21 existing comprehensive statewide plan to reflect the role and  
22 mission of public postsecondary educational institutions and to  
23 articulate statewide goals. The process of reviewing and revising  
24 the plan shall be completed by January 1, 2001, if practicable.

25           (3) The planning process of the commission (a) shall

1 be policy-based and ongoing in order to achieve, within the  
2 coordination function of the commission pursuant to section  
3 85-1403, the best possible use of available state resources for  
4 high quality and accessible postsecondary educational services  
5 and (b) shall take into consideration (i) the needs of the state  
6 as described in subsection (4) of this section, (ii) general  
7 assignments of role and mission for each public institution in  
8 sections 85-917 to 85-966, and (iii) plans for facilities which  
9 utilize tax funds designated by the Legislature.

10 (4) In establishing the plan, the commission shall assess  
11 the postsecondary educational needs of the state in the following  
12 areas:

- 13 (a) The basic and continuing needs of various age groups;  
14 (b) Business and industrial needs for a skilled work  
15 force;  
16 (c) Demographic, social, and economic trends;  
17 (d) The needs of the ethnic populations;  
18 (e) College attendance, retention, and dropout rates;  
19 (f) The needs of recent high school graduates and  
20 place-bound adults;  
21 (g) The needs of residents of all geographic regions; and  
22 (h) Any other areas the commission may designate.

23 (5) The plan shall provide a structure or process which  
24 encourages and facilitates harmonious and cooperative relationships  
25 between public and private postsecondary educational institutions

1 and shall recognize the role and relationship of elementary  
2 and secondary education and private postsecondary educational  
3 institutions in the state to postsecondary education.

4 (6) The commission shall incorporate into the plan  
5 provisions and policies to guide decisionmaking by the commission  
6 pursuant to this section and sections 85-1414 and 85-1415. The  
7 provisions and policies shall address issues which include, but are  
8 not limited to:

9 (a) The facilitation of statewide transfer-of-credit  
10 guidelines to be considered by institutional governing boards.  
11 The statewide transfer-of-credit guidelines shall be designed to  
12 facilitate the transfer of students among public institutions.  
13 The statewide transfer-of-credit guidelines shall not require nor  
14 encourage the standardization of course content and shall not  
15 prescribe course content or credit value assigned by any public  
16 institution to the courses;

17 (b) Recommended guidelines for admissions which recognize  
18 selective and differentiated admission standards at public  
19 institutions and which are consistent with the role and mission  
20 of each public institution. It is the intent of the Legislature  
21 that changes in admission standards be implemented in conjunction  
22 with the role and mission statements established pursuant to this  
23 section and sections 85-917 to 85-966 and the adoption of statewide  
24 transfer-of-credit and remedial program policies to assure that  
25 access to postsecondary education is not limited;

1           (c) Recommended enrollment guidelines consistent with  
2 the role and mission of each public institution and specific  
3 recommendations designed to increase diversity through more  
4 effective enrollment and retention at public institutions;

5           (d) Recommended guidelines for rational and equitable  
6 statewide tuition rates and fees for public institutions. The  
7 commission shall identify public policy issues relating to tuition  
8 and fees of the public postsecondary educational institutions in  
9 the state. The recommended guidelines shall take into account  
10 the role and mission of each public institution and the need to  
11 maximize access to public postsecondary education regardless of a  
12 student's financial circumstance;

13           (e) In conjunction with and consistent with its  
14 recommended guidelines on admission standards, recommended  
15 guidelines which place the primary emphasis at the community  
16 college level for postsecondary education ~~remedial programs~~  
17 foundations education as defined in section 85-932.01 and reduce  
18 the role of the University of Nebraska and the Nebraska state  
19 colleges in offering ~~remedial programs~~ foundations education. The  
20 commission shall collaborate with the Commissioner of Education  
21 to develop recommendations for secondary schools designed to  
22 reduce the need for remedial or developmental programs at the  
23 postsecondary level;

24           (f) In consultation with the governing boards or  
25 their designated representatives, designation of geographic and

1 programmatic service areas for each public institution consistent  
2 with role and mission assignments. Except as permitted by the  
3 commission pursuant to section 85-1414, after July 1, 1992, no  
4 public institution shall provide programs at any site outside  
5 its assigned geographic and programmatic service area unless  
6 permitted under rules and regulations adopted and promulgated by  
7 the commission;

8 (g) After consultation with the governing boards and  
9 experts from outside the State of Nebraska, the establishment of a  
10 peer group or groups for each public institution for purposes of  
11 budget review. In fulfilling this charge, the commission may accept  
12 a peer group determined by a governing board in consultation with  
13 out-of-state experts;

14 (h) Effective use of information technologies and  
15 telecommunications to aid in the delivery of instruction at the  
16 postsecondary level. In cooperation with the Nebraska Educational  
17 Telecommunications Commission, other state agencies, and, when  
18 appropriate, representatives of elementary and secondary public  
19 education, the commission may assist in the development of  
20 instructional delivery systems employing information technologies  
21 and telecommunications. The commission, with the involvement  
22 of faculties, public institutions and private postsecondary  
23 educational institutions, and the information technology and  
24 telecommunications community, shall establish policies to ensure  
25 that the objectives of quality and efficiency are met in the

1 delivery of information technology and telecommunications-aided  
2 instruction;

3 (i) Workforce development. The commission shall explore  
4 methods to improve the competitive quality of the work force and  
5 shall encourage enhanced communications and partnerships between  
6 public institutions and business and industry;

7 (j) Public service activities. The public institutions  
8 shall develop and provide to the commission a comprehensive  
9 inventory of public service programs and activities of public  
10 institutions; and

11 (k) Financial aid strategy. The commission shall develop  
12 a state strategy for state-supported student financial aid programs  
13 with the goal of assuring access to and choice in postsecondary  
14 education in Nebraska for Nebraska residents within the limits of  
15 available state resources.

16 (7) The commission shall develop a unified statewide  
17 facilities plan in consultation with the governing boards or their  
18 designated representatives and update the plan periodically.

19 (8) Prior to March 15 of the year following the  
20 year of adoption of the revised comprehensive statewide plan  
21 for postsecondary education required by subsection (2) of this  
22 section and prior to March 15 of the year following a year  
23 in which any revision is made to the comprehensive statewide  
24 plan, the Education Committee of the Legislature shall review the  
25 comprehensive statewide plan and revisions thereto at a public

1 hearing and report its findings to the Legislature.

2           Sec. 11. Section 85-1416, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           85-1416 (1) Pursuant to the authority granted in  
5 Article VII, section 14, of the Constitution of Nebraska and  
6 the Coordinating Commission for Postsecondary Education Act, the  
7 commission shall, in accordance with the coordination function of  
8 the commission pursuant to section 85-1403, review and modify, if  
9 needed to promote compliance and consistency with the comprehensive  
10 statewide plan and prevent unnecessary duplication, the budget  
11 requests of the governing boards.

12           (2)(a) At least thirty days prior to submitting to  
13 the Governor their biennial budget requests pursuant to section  
14 81-1113 and any major deficit appropriation requests pursuant  
15 to instructions of the Department of Administrative Services,  
16 the Board of Regents of the University of Nebraska and the  
17 Board of Trustees of the Nebraska State Colleges shall each  
18 submit to the commission an outline of its proposed operating  
19 budget. The outline of its proposed operating budget or outline  
20 of proposed state aid request shall include those information  
21 summaries provided to the institution's governing board describing  
22 the respective institution's budget for the next fiscal year or  
23 biennium. The outline shall contain projections of funds necessary  
24 for (i) the retention of current programs and services at current  
25 funding levels, (ii) any inflationary costs necessary to maintain

1 current programs and services at the current programmatic or  
2 service levels, and (iii) proposed new and expanded programs and  
3 services. In addition to the outline, the commission may request  
4 an institution to provide to the commission any other supporting  
5 information to assist the commission in its budget review process.  
6 An institution may comply with such requests pursuant to section  
7 85-1417.

8 (b) On September 15 of each biennial budget request  
9 year, the boards of governors of the community colleges or their  
10 designated representatives shall submit to the commission outlines  
11 of their proposed state aid requests pursuant to the Community  
12 College ~~Foundation~~ and Equalization Aid Act.

13 (c) The commission shall analyze institutional budget  
14 priorities in light of the comprehensive statewide plan, role and  
15 mission assignments, and the goal of prevention of unnecessary  
16 duplication. The commission shall submit to the Governor and  
17 Legislature by October 15 of each year recommendations for approval  
18 or modification of the budget requests together with a rationale  
19 for its recommendations. The analysis and recommendations by the  
20 commission shall focus on budget requests for new and expanded  
21 programs and services and major statewide funding issues or  
22 initiatives as identified in the comprehensive statewide plan.  
23 If an institution does not comply with the commission's request  
24 pursuant to subdivision (a) of this subsection for additional  
25 budget information, the commission may so note the refusal

1 and its specific information request in its report of budget  
2 recommendations. The commission shall also provide to the Governor  
3 and the Appropriations Committee of the Legislature on or before  
4 October 1 of each even-numbered year a report identifying public  
5 policy issues relating to student tuition and fees, including  
6 the appropriate relative differentials of tuition and fee levels  
7 between the sectors of public postsecondary education in the state  
8 consistent with the comprehensive statewide plan.

9 (3) At least thirty days prior to submitting to the  
10 Governor their biennial budget requests pursuant to section  
11 81-1113 and any major deficit appropriation requests pursuant to  
12 instructions of the Department of Administrative Services, the  
13 Board of Regents of the University of Nebraska and the Board of  
14 Trustees of the Nebraska State Colleges shall each submit to the  
15 commission information the commission deems necessary regarding  
16 each board's capital construction budget requests. The commission  
17 shall review the capital construction budget request information  
18 and may recommend to the Governor and the Legislature modification,  
19 approval, or disapproval of such requests consistent with the  
20 statewide facilities plan and any project approval determined  
21 pursuant to subsection (10) of section 85-1414 and to section  
22 85-1415. The commission shall develop from a statewide perspective  
23 a unified prioritization of individual capital construction budget  
24 requests for which it has recommended approval and submit such  
25 prioritization to the Governor and the Legislature for their

1 consideration. In establishing its prioritized list, the commission  
2 may consider and respond to the priority order established by the  
3 Board of Regents or the Board of Trustees in their respective  
4 capital construction budget requests.

5 (4) Nothing in this section shall be construed to affect  
6 other constitutional, statutory, or administrative requirements for  
7 the submission of budget or state aid requests by the governing  
8 boards to the Governor and the Legislature.

9 Sec. 12. Section 85-1418, Reissue Revised Statutes of  
10 Nebraska, is amended to read:

11 85-1418 (1) No state warrant shall be issued by the  
12 Department of Administrative Services or used by any public  
13 institution for the purpose of funding any program or capital  
14 construction project which has not been approved or which has  
15 been disapproved by the commission pursuant to the Coordinating  
16 Commission for Postsecondary Education Act. If state funding for  
17 any such program or project cannot be or is not divided into  
18 warrants separate from other programs or projects, the department  
19 shall reduce a warrant to the public institution which includes  
20 funding for the program or project by the amount of tax funds  
21 designated by the Legislature which are budgeted in that fiscal  
22 year by the public institution for use for the program or project.

23 (2) The department may reduce the amount of state aid  
24 distributed to a community college area pursuant to the Community  
25 College ~~Foundation~~ and Equalization Aid Act by the amount of funds

1 used by the area to provide a program or capital construction  
2 project which has not been approved or which has been disapproved  
3 by the commission.

4 (3) The district court of Lancaster County shall have  
5 jurisdiction to enforce an order or decision of the commission  
6 entered pursuant to the Coordinating Commission for Postsecondary  
7 Education Act and to enforce this section.

8 (4) Any person or public institution aggrieved by a  
9 final order of the commission entered pursuant to section 85-1413,  
10 85-1414, 85-1415, or 85-1416 shall be entitled to judicial review  
11 of the order. Proceedings for review shall be instituted by filing  
12 a petition in the district court of Lancaster County within thirty  
13 days after public notice of the final decision by the commission  
14 is given. The filing of the petition or the service of summons  
15 upon the commission shall not stay enforcement of such order. The  
16 review shall be conducted by the court without a jury on the  
17 record of the commission. The court shall have jurisdiction to  
18 enjoin enforcement of any order of the commission which is (a)  
19 in violation of constitutional provisions, (b) in excess of the  
20 constitutional or statutory authority of the commission, (c) made  
21 upon unlawful procedure, or (d) affected by other error of law.

22 (5) A party may secure a review of any final judgment of  
23 the district court by appeal to the Court of Appeals. Such appeal  
24 shall be taken in the manner provided by law for appeals in civil  
25 cases and shall be heard de novo on the record.

1           Sec. 13. Section 85-1429, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           85-1429 On or before March 15 of each year, the  
4 Coordinating Commission for Postsecondary Education shall provide  
5 a report that (1) evaluates progress toward attainment of the  
6 priorities listed in subdivision (3) of section 85-1428 and  
7 (2) beginning in 2011, evaluates the performance of community  
8 college areas, individually and collectively, on the indicators  
9 established pursuant to section 85-1414. The Education Committee of  
10 the Legislature shall review the report at a public hearing and  
11 report its findings to the Legislature.

12           Sec. 14. Section 85-1501, Reissue Revised Statutes of  
13 Nebraska, is amended to read:

14           85-1501 The Legislature hereby declares that for a  
15 community college to be truly responsible to the people it  
16 serves, primary control of such colleges shall be placed in the  
17 citizens within the local area so served subject to coordination  
18 by the Coordinating Commission for Postsecondary Education. It  
19 is the intent and purpose of sections 85-1501 to 85-1540 and  
20 section 18 of this act to create locally governed and locally  
21 supported community college areas with the ~~major~~ educational  
22 ~~emphasis on occupational education.~~ instructional and service  
23 priorities described in section 85-962. Each community college area  
24 is intended to be an independent, local, unique, and vital segment  
25 of postsecondary education separate from both the established

1 elementary and secondary school system and from other institutions  
2 of postsecondary education and is not to be converted into a  
3 four-year, baccalaureate-degree-granting institution.

4 Sec. 15. Section 85-1501.01, Reissue Revised Statutes of  
5 Nebraska, is amended to read:

6 85-1501.01 The Legislature recognizes the need for and  
7 importance of a strong partnership with the community colleges to  
8 assure the continued economic growth of the state. In recognition  
9 of that partnership, the Legislature affirms that community  
10 colleges should be financed through a funding partnership from  
11 property tax, state aid, tuition and fees, and other sources of  
12 revenue.

13 Sec. 16. Section 85-1502, Reissue Revised Statutes of  
14 Nebraska, is amended to read:

15 85-1502 (1) It is the intent of the Legislature  
16 that a clear distinction between area governance and statewide  
17 coordination for the community college areas be recognized and  
18 that such coordination is appropriate in order to provide the  
19 most cost-effective programs for residents of each community  
20 college area and to ensure uniform practices and procedures for  
21 the auditing, collection, and reporting of data by community  
22 college areas, specifically the data necessary to carry out the  
23 Community College Equalization Aid Act. It is further the intent  
24 of the Legislature that coordination of the community colleges  
25 by the Coordinating Commission for Postsecondary Education be

1 conducted ~~through an association of the boards, as provided for in~~  
2 Article VII, section 14, of the Constitution of Nebraska and the  
3 Coordinating Commission for Postsecondary Education Act.

4 (2) All of the boards shall be a part of and shall be  
5 represented by such association. ~~Coordination services provided by~~  
6 ~~such association shall include (a) preparation~~ Community college  
7 areas may be a part of and may be represented by an association of  
8 the boards. Services provided by such association may include  
9 any services or coordination activities not assigned to the  
10 Coordinating Commission for Postsecondary Education that may be  
11 requested by the member boards, including, but not limited to:  
12 (a) Preparation of a system strategic plan, (b) coordination  
13 of the budget request for the biennium, (c) facilitation of  
14 program-needs assessment and articulation, (d) recommendation and  
15 facilitation of the appointment of representatives to committees,  
16 boards, commissions, task forces, and any other state-level bodies  
17 requesting or requiring participation from the community college  
18 ~~system,~~ colleges, and (e) facilitation of responses to data and  
19 information requests ~~for the system.~~ pertaining to member community  
20 college areas.

21 (3) All activities conducted pursuant to this section by  
22 such association shall be conducted in accordance with the Open  
23 Meetings Act.

24 (4) Nothing in this section shall be construed to require  
25 or provide for state control of the operations of any community

1 college area or to abridge the governance ability, rights, or  
2 responsibilities of any board. Nothing in this section shall be  
3 construed to limit the ability or authority of the commission to  
4 fulfill its responsibilities and duties regarding the individual  
5 community college areas and the individual community college area  
6 campuses.

7           Sec. 17. Section 85-1503, Reissue Revised Statutes of  
8 Nebraska, is amended to read:

9           85-1503 For purposes of sections 85-1501 to 85-1540 and  
10 section 18 of this act, unless the context otherwise requires:

11           (1) Community college means an educational institution  
12 operating and offering programs pursuant to such sections;

13           (2) Community college area means an area established by  
14 section 85-1504;

15           (3) Board means the Community College Board of Governors  
16 for each community college area;

17           (4) Full-time equivalent student means, in the aggregate,  
18 the equivalent of a registered student who in a twelve-month period  
19 is enrolled in (a) thirty semester credit hours or forty-five  
20 quarter credit hours of classroom, laboratory, clinical, practicum,  
21 or independent study course work or cooperative work experience or  
22 (b) nine hundred contact hours of classroom or laboratory course  
23 work for which credit hours are not offered or awarded. Avocational  
24 and recreational community service programs or courses are not  
25 included in determining full-time equivalent students or student

1 enrollment. The number of credit and contact hours which shall  
2 be counted by any community college area in which a tribally  
3 controlled community college is located shall include credit  
4 and contact hours awarded by such tribally controlled community  
5 college to students for which such institution received no federal  
6 reimbursement pursuant to the Tribally Controlled Community College  
7 Assistance Act, 25 U.S.C. 1801, as such act existed on January 1,  
8 2010;

9 (5) Contact hour means an educational activity consisting  
10 of sixty minutes minus break time and required time to change  
11 classes;

12 (6) Credit hour means the unit used to ascertain the  
13 educational value of course work offered by the institution to  
14 students enrolling for such course work, earned by such students  
15 upon successful completion of such course work, and for which  
16 tuition is charged. A credit hour may be offered and earned in  
17 any of several instructional delivery systems, including, but not  
18 limited to, classroom hours, laboratory hours, clinical hours,  
19 practicum hours, cooperative work experience, and independent  
20 study. A credit hour shall consist of a minimum of: (a) Ten  
21 quarter or fifteen semester classroom contact hours per term of  
22 enrollment; (b) twenty quarter or thirty semester academic transfer  
23 and academic support laboratory hours per term of enrollment; (c)  
24 thirty quarter or forty-five semester vocational laboratory hours  
25 per term of enrollment; (d) thirty quarter or forty-five semester

1 clinical or practicum contact hours per term of enrollment; or  
2 (e) forty quarter or sixty semester cooperative work experience  
3 contact hours per term of enrollment. An institution may include  
4 in a credit hour more classroom, laboratory, clinical, practicum,  
5 or cooperative work experience hours than the minimum required in  
6 this subdivision. The institution shall publish in its catalog, or  
7 otherwise make known to the student in writing prior to the student  
8 enrolling or paying tuition for any courses, the number of credit  
9 or contact hours offered in each such course. Such published credit  
10 or contact hour offerings shall be used to determine whether a  
11 student is a full-time equivalent student pursuant to subdivision  
12 (4) of this section;

13 (7) Classroom hour means a minimum of fifty minutes  
14 of formalized instruction on campus or off campus in which a  
15 qualified instructor applying any combination of instructional  
16 methods such as lecture, directed discussion, demonstration, or the  
17 presentation of audiovisual materials is responsible for providing  
18 an educational experience to students;

19 (8) Laboratory hour means a minimum of fifty minutes of  
20 educational activity on campus or off campus in which students  
21 conduct experiments, perfect skills, or practice procedures under  
22 the direction of a qualified instructor;

23 (9) Clinical hour means a minimum of fifty minutes of  
24 educational activity on campus or off campus during which the  
25 student is assigned practical experience under constant supervision

1 at a health-related agency, receives individual instruction in the  
2 performance of a particular function, and is observed and critiqued  
3 in the repeat performance of such function. Adjunct professional  
4 personnel, who may or may not be paid by the college, may be used  
5 for the directed supervision of students and for the delivery of  
6 part of the didactic phase of the experience;

7 (10) Practicum hour means a minimum of fifty minutes  
8 of educational activity on campus or off campus during which  
9 the student is assigned practical experiences, receives individual  
10 instruction in the performance of a particular function, and is  
11 observed and critiqued by an instructor in the repeat performance  
12 of such function. Adjunct professional personnel, who may or  
13 may not be paid by the college, may be used for the directed  
14 supervision of the students;

15 (11) Cooperative work experience means an internship  
16 or on-the-job training, designed to provide specialized skills  
17 and educational experiences, which is coordinated, supervised,  
18 observed, and evaluated by qualified college staff or faculty and  
19 may be completed on campus or off campus, depending on the nature  
20 of the arrangement;

21 (12) Independent study means an arrangement between an  
22 instructor and a student in which the instructor is responsible  
23 for assigning work activity or skill objectives to the student,  
24 personally providing needed instruction, assessing the student's  
25 progress, and assigning a final grade. Credit hours shall be

1 assigned according to the practice of assigning credits in similar  
2 courses;

3 (13) Full-time equivalent student enrollment total means  
4 the total of full-time equivalent students enrolled in a community  
5 college in any fiscal year;

6 (14) General academic transfer course means a course  
7 offering in a one-year or two-year degree-credit program, at  
8 the associate degree level or below, intended by the offering  
9 institution for transfer into a baccalaureate program. The  
10 completion of the specified courses in a general academic transfer  
11 program may include the award of a formal degree;

12 (15) Applied technology or occupational course means a  
13 course offering in an instructional program, at the associate  
14 degree level or below, intended to prepare individuals for  
15 immediate entry into a specific occupation or career. The primary  
16 intent of the institutions offering an applied technology or  
17 occupational program shall be that such program is for immediate  
18 job entry. The completion of the specified courses in an applied  
19 technology or occupational program may include the award of a  
20 formal degree, diploma, or certificate;

21 (16) Academic support course means a general education  
22 academic course offering which may be necessary to support an  
23 applied technology or occupational program;

24 (17) Class 1 course means an applied technology or  
25 occupational course offering which requires the use of equipment,

1 facilities, or instructional methods easily adaptable for use in a  
 2 general academic transfer program classroom or laboratory;

3 (18) Class 2 course means an applied technology or  
 4 occupational course offering which requires the use of specialized  
 5 equipment, facilities, or instructional methods not easily  
 6 adaptable for use in a general academic transfer program classroom  
 7 or laboratory;

8 ~~(19) Full-time equivalent student means a full-time~~  
 9 ~~equivalent student subject to the following limitation: The number~~  
 10 ~~of credit and contact hours which shall be counted by any community~~  
 11 ~~college area in which a tribally controlled community college~~  
 12 ~~is located shall include credit and contact hours awarded by~~  
 13 ~~such tribally controlled community college to students for which~~  
 14 ~~such institution received no federal reimbursement pursuant to the~~  
 15 ~~Tribally Controlled Community College Assistance Act, 25 U.S.C.~~  
 16 ~~1801;~~

17 ~~(20)~~ (19) Full-time equivalent total means the total of  
 18 all full-time equivalents accumulated in a community college area  
 19 in any fiscal year;

20 ~~(21)~~ (20) Reimbursable educational unit means a full-time  
 21 equivalent student multiplied by:

22 (a) For fiscal years before fiscal year 2010-11, (i)  
 23 ~~(a)~~ for a general academic transfer course or an academic support  
 24 course, a factor of one, ~~(b)~~ (ii) for a Class 1 course, a factor  
 25 of one and fifty-hundredths, ~~(c)~~ (iii) for a Class 2 course, a

1 factor of two, ~~(d)~~ (iv) for a tribally controlled community college  
2 general academic transfer course or academic support course, a  
3 factor of two, ~~(e)~~ (v) for a tribally controlled community college  
4 Class 1 course, a factor of three, and ~~(f)~~ (vi) for a tribally  
5 controlled community college Class 2 course, a factor of four; and  
6 (b) For fiscal year 2010-11 and each fiscal year  
7 thereafter, (i) a factor of one for courses assigned to Category  
8 1 programs, except that courses provided by tribally controlled  
9 community colleges assigned to Category 1 programs shall be given  
10 a factor of two, (ii) a factor of one and twenty-two hundredths  
11 for courses assigned to Category 2 programs, except that courses  
12 provided by tribally controlled community colleges assigned to  
13 Category 2 programs shall be given a factor of two and forty-four  
14 hundredths, (iii) a factor of one and forty-eight hundredths  
15 for courses assigned to Category 3 programs, except that courses  
16 provided by tribally controlled community colleges assigned to  
17 Category 3 programs shall be given a factor of two and ninety-six  
18 hundredths, (iv) a factor of one and sixty-eight hundredth for  
19 courses assigned to Category 4 programs, except that courses  
20 provided by tribally controlled community colleges assigned to  
21 Category 4 programs shall be given a factor of three and thirty-six  
22 hundredths, (v) a factor of one and ninety hundredths for courses  
23 assigned to Category 5 programs, except that courses provided  
24 by tribally controlled community colleges assigned to Category 5  
25 programs shall be given a factor of three and eighty hundredths,

1 (vi) a factor of two and sixteen hundredths for courses assigned  
 2 to Category 6 programs, except that courses provided by tribally  
 3 controlled community colleges assigned to Category 6 programs shall  
 4 be given a factor of four and thirty-two hundredths;

5 ~~(22)~~ (21) Reimbursable educational unit total means the  
 6 total of all reimbursable educational units accumulated in a  
 7 community college area in any fiscal year;

8 ~~(23)~~ (22) Special instructional term means any term which  
 9 is less than fifteen weeks for community colleges using semesters  
 10 or ten weeks for community colleges using quarters;

11 ~~(24)~~ (23) Statewide reimbursable full-time equivalent  
 12 total means the total of all reimbursable full-time equivalents  
 13 accumulated statewide for the community college in any fiscal year;

14 ~~(25)~~ (24) Tribally controlled community college means an  
 15 educational institution operating and offering programs pursuant to  
 16 the Tribally Controlled Community College Assistance Act, 25 U.S.C.  
 17 1801; and

18 ~~(26)~~ (25) Tribally controlled community college state  
 19 aid amount means the quotient of the amount of state aid to  
 20 be distributed pursuant to the Community College ~~Foundation~~ and  
 21 Equalization Aid Act for the current fiscal year to a community  
 22 college area in which a tribally controlled community college is  
 23 located divided by the reimbursable educational unit total for such  
 24 community college area for the immediately preceding fiscal year,  
 25 with such quotient then multiplied by the ~~average~~ reimbursable

1 educational units ~~derived pursuant to subdivision (19) of this~~  
2 ~~section~~ calculated pursuant to subdivision (20) of this section  
3 attributable to each tribally controlled community college for the  
4 immediately preceding fiscal year.

5           Sec. 18. The Coordinating Commission for Postsecondary  
6 Education shall collaborate with the community college areas in  
7 assigning courses offered by community college areas to programs  
8 for the purpose of calculating reimbursable educational units  
9 pursuant to subdivision (20) of section 85-1503. Such programs  
10 shall be identified using Classification of Instructional Programs  
11 codes and shall be assigned to one of six categories by the  
12 commission based on the results of the cost study completed by  
13 the commission pursuant to subdivision (15) of section 85-1412. The  
14 commission shall cause a cost study of community college courses  
15 to be completed no less often than once every four years and  
16 shall provide any recommendations for changes in the factors listed  
17 in subdivision (20) of section 85-1503 to the Education Committee  
18 of the Legislature. The commission may adjust the Classification  
19 of Instructional Programs codes used to identify programs as it  
20 deems necessary in order to best reflect the courses provided by  
21 community college areas.

22           Sec. 19. Section 85-1511, Reissue Revised Statutes of  
23 Nebraska, is amended to read:

24           85-1511 In addition to any other powers and duties  
25 imposed upon the community college system or its areas, campuses,

1 or boards by the Community College Foundation and Equalization Aid  
2 Act, sections 85-917 to 85-966 and 85-1501 to 85-1540 and section  
3 18 of this act, and any other provision of law, each board shall:

4 (1) Have general supervision, control, and operation of  
5 each community college within its jurisdiction;

6 (2) Subject to coordination by the Coordinating  
7 Commission for Postsecondary Education as prescribed in the  
8 Coordinating Commission for Postsecondary Education Act, develop  
9 and offer programs of applied technology education, academic  
10 transfer programs, academic support courses, and such other  
11 programs and courses as the needs of the community college area  
12 served may require. The board shall avoid unnecessary duplication  
13 of existing programs and courses in meeting the needs of the  
14 students and the community college area;

15 (3) Employ, for a period to be fixed by the board,  
16 executive officers, members of the faculty, and such other  
17 administrative officers and employees as may be necessary or  
18 appropriate and fix their salaries and duties;

19 (4) Subject to coordination by the Coordinating  
20 Commission for Postsecondary Education as prescribed in the  
21 Coordinating Commission for Postsecondary Education Act, construct,  
22 lease, purchase, purchase on contract, operate, equip, and maintain  
23 facilities;

24 (5) Contract for services connected with the operation of  
25 the community college area as needs and interest demand;

1           (6) Cause an annual examination and comprehensive audit  
2 of:

3           (a) The the books, accounts, records, and affairs,  
4 including full-time equivalent student enrollment totals, full-time  
5 equivalent totals, and reimbursable educational unit totals as  
6 defined in section 85-1503, to be made annually covering for  
7 the most recently completed fiscal year. The audit of each area  
8 shall include the full-time equivalent student enrollment totals,  
9 full-time equivalent totals, and reimbursable educational unit  
10 totals for the three most recently completed fiscal years which  
11 shall be used for calculation of aid to the community college areas  
12 as prescribed in the Community College Foundation and Equalization  
13 Aid Act. The audit shall also include the county-certified property  
14 valuations for the community college area for the three most  
15 recently completed fiscal years which shall be used for calculation  
16 of aid to such community college areas. Such examination and audit  
17 of the books, accounts, records, and affairs shall be completed  
18 and filed with the Auditor of Public Accounts, and the Department  
19 of Administrative Services, and the Coordinating Commission for  
20 Postsecondary Education on or before October 15 of each year; and  
21 - The examination and audit of the full-time equivalent student  
22 enrollment totals, full-time equivalent totals, and reimbursable  
23 educational unit totals

24           (b) The data necessary to carry out the Community College  
25 Equalization Aid Act, including, but not limited to: (i) Full-time

1 equivalent student enrollment totals, reimbursable educational unit  
2 totals, tuition and fees and state aid as defined in the Community  
3 College Equalization Aid Act, and general fund property taxes  
4 levied for the three most recently completed fiscal years; (ii)  
5 property valuations for the community college area for the three  
6 most recently completed tax years reported on the Certificate of  
7 Taxes Levied required pursuant to section 77-1613.01; and (iii) the  
8 property valuations for the community college area for the current  
9 tax year certified pursuant to section 13-509. Such data shall be  
10 audited, collected, and reported in accordance with the uniform  
11 practices and procedures prescribed by the Coordinating Commission  
12 for Postsecondary Education pursuant to section 85-1412. Such  
13 examination and audit shall be completed and filed with the Auditor  
14 of Public Accounts, the Coordinating Commission for Postsecondary  
15 Education, and the Department of Administrative Services on or  
16 before August 15 25 of each year;

17 (7) Establish fees and charges for the facilities  
18 authorized by sections 85-1501 to 85-1540 and section 18 of this  
19 act. Each board may enter into agreements with owners of facilities  
20 to be used for housing regarding the management, operation, and  
21 government of such facilities and may employ necessary employees to  
22 govern, manage, and operate such facilities;

23 (8) Receive such gifts, grants, conveyances, and bequests  
24 of real and personal property from public or private sources as  
25 may be made from time to time, in trust or otherwise, whenever

1 the terms and conditions thereof will aid in carrying out the  
2 community college programs as specified by law. Each board may  
3 sell, lease, exchange, invest, or expend such gifts, grants,  
4 conveyances, and bequests or the proceeds, rents, profits, and  
5 income therefrom according to the terms and conditions thereof and  
6 adopt and promulgate rules and regulations governing the receipt  
7 and expenditure of such proceeds, rents, profits, and income,  
8 except that acceptance of such gifts, grants, or conveyances shall  
9 not be conditioned on matching state or local funds;

10 (9) Prescribe the courses of study for any community  
11 college under its control and publish such catalogs and bulletins  
12 as may be necessary;

13 (10) Grant to every student upon graduation or completion  
14 of a course of study a suitable diploma, associate degree, or  
15 certificate;

16 (11) Adopt and promulgate such rules and regulations  
17 and perform all other acts as the board may deem necessary  
18 or appropriate to the administration of the community college  
19 area. Such rules and regulations shall include, but not be  
20 limited to, rules and regulations relating to facilities, housing,  
21 scholarships, discipline, and pedestrian and vehicular traffic on  
22 property owned, operated, or maintained by the community college  
23 area;

24 (12) Employ, for a period to be fixed by the board, an  
25 executive officer for the community college area and, by written

1 order filed in its office, delegate to such executive officer any  
2 of the powers and duties vested in or imposed upon it by such  
3 sections, ~~85-1501 to 85-1540~~. Such delegated powers and duties may  
4 be exercised in the name of the board;

5 (13) Acquire real property by eminent domain pursuant to  
6 sections 76-701 to 76-724;

7 (14) Acquire real and personal property and sell, convey,  
8 or lease such property whenever the community college area will  
9 be benefited thereby. The sale, conveyance, or lease of any real  
10 estate owned by a community college area shall be effective only  
11 when authorized by an affirmative vote of at least two-thirds of  
12 all the members of the board;

13 (15) Enter into agreements for services, facilities, or  
14 equipment and for the presentation of courses for students when  
15 such agreements are deemed to be in the best interests of the  
16 education of the students involved;

17 (16) Transfer tribally controlled community college state  
18 aid amounts to a tribally controlled community college located  
19 within its community college area;

20 (17) Invest, after proper consideration of the  
21 requirements for the availability of money, funds of the community  
22 college in securities the nature of which individuals of prudence,  
23 discretion, and intelligence acquire or retain in dealing with the  
24 property of another;

25 (18) Establish tuition rates for courses of instruction

1 offered by each community college within its community college  
2 area. Separate tuition rates shall be established for students who  
3 are nonresidents of the State of Nebraska;

4 (19) Establish a fiscal year for the community college  
5 area which conforms to the fiscal year of the state; and

6 (20) Exercise any other powers, duties, and  
7 responsibilities necessary to carry out sections 85-1501 to  
8 85-1540 and section 18 of this act.

9 Sec. 20. Section 85-1515, Reissue Revised Statutes of  
10 Nebraska, is amended to read:

11 85-1515 Each board may issue and sell revenue bonds  
12 and general obligation bonds for the purchase, construction,  
13 reconstruction, equipping, demolition, or alteration of capital  
14 assets, including accessibility barrier elimination project costs  
15 and abatement of environmental hazards as such terms are defined  
16 in section 79-10,110, and the acquisition of sites, rights-of-way,  
17 easements, improvements, or appurtenances and other facilities  
18 connected with the operation of the community colleges. Each  
19 board may establish in its budget a capital improvement and  
20 bond sinking fund. Such fund shall be used (1) first for the  
21 retirement of bonds assumed by the board in accordance with the  
22 provisions of such bonds, (2) then for (a) renewal work and  
23 deferred maintenance as defined in section 81-173, (b) handicapped  
24 access and life safety improvements made to existing structures or  
25 grounds including accessibility barrier elimination project costs

1 and abatement of environmental hazards as such terms are defined in  
2 section 79-10,110, and (c) projects designed to prevent or correct  
3 a waste of energy, including measures taken to utilize alternate  
4 energy sources, all in accordance with the capital facilities plan  
5 of the community college area, (3) then for the retirement of bonds  
6 issued pursuant to this section, and (4) then for the purchasing,  
7 purchasing on contract, constructing, and improving of facilities  
8 necessary to carry out sections 85-1501 to 85-1540 and section 18  
9 of this act. Revenue bonds issued shall be subject to sections  
10 85-1520 to 85-1527. No general obligation bonds shall be issued  
11 without the approval by a majority vote of the qualified electors  
12 of the community college area voting in an election called for  
13 such purpose pursuant to section 85-1518. No bonds issued under  
14 sections 85-1501 to 85-1540 and section 18 of this act shall be  
15 an obligation of the State of Nebraska, and no state tax shall be  
16 levied to raise funds for the payment thereof or interest thereon.

17           Sec. 21. Section 85-1516, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19           85-1516 Each board may issue warrants in an amount  
20 necessary to finance the operating expenses of the community  
21 college area until the proceeds of the tax levy as provided in  
22 section 85-1517 are received. The amount of such warrants plus  
23 interest shall not exceed the amount of the money to be received  
24 from the property tax levy. Whenever such warrants are issued, they  
25 shall be the general obligation of the community college area and

1 the full faith and credit of the community college area shall be  
2 pledged to retire such warrants. In addition the board shall set  
3 aside from the proceeds of the property tax levied pursuant to  
4 sections 85-1501 to 85-1540 and section 18 of this act an amount  
5 sufficient to pay the warrants and the interest on such warrants.  
6 Such warrants shall be subject to registration as provided in  
7 sections 77-2201 to 77-2215.

8 Sec. 22. Section 85-1517, Reissue Revised Statutes of  
9 Nebraska, is amended to read:

10 85-1517 (1) The board may certify to the county board of  
11 equalization of each county within the community college area a  
12 tax levy not to exceed the maximum levy calculated pursuant to the  
13 Community College ~~Foundation~~ and Equalization Aid Act on each one  
14 hundred dollars on the taxable valuation of all property subject to  
15 the levy within the community college area, uniform throughout such  
16 area, for the purpose of supporting operating expenditures of the  
17 community college area.

18 ~~(2)(a)~~ (2) In addition to the levies provided in  
19 ~~subsection (1) of this section and this subsection,~~ subsections (1)  
20 and (3) of this section, the board may certify to the county board  
21 of equalization of each county within the community college area a  
22 tax levy of not to exceed one cent on each one hundred dollars on  
23 the taxable valuation of all property within the community college  
24 area, uniform throughout such area, for the purpose of establishing  
25 a capital improvement fund and bond sinking fund as provided in

1 section 85-1515.

2 ~~(b)~~ (3) In addition to the levies provided in ~~subsection~~  
3 ~~(1) of this section and this subsection,~~ subsections (1) and (2)  
4 of this section, the board may also certify to the county board of  
5 equalization of each county within the community college area a tax  
6 levy on each one hundred dollars on the taxable valuation of all  
7 property within the community college area, uniform throughout such  
8 area, in the amount which will produce funds only in the amount  
9 necessary to pay for funding accessibility barrier elimination  
10 project costs and abatement of environmental hazards as such terms  
11 are defined in section 79-10,110. Such tax levy shall not be so  
12 certified unless approved by an affirmative vote of a majority of  
13 the board taken at a public meeting of the board following notice  
14 and a hearing. The board shall give at least seven days' notice  
15 of such public hearing and shall publish such notice once in a  
16 newspaper of general circulation in the area to be affected by the  
17 increase.

18 ~~(c)~~ In addition to the levies provided in ~~subsection (1)~~  
19 ~~of this section and this subsection,~~ the board of any community  
20 college area whose valuation per full-time equivalent student was  
21 less than eighty-two percent of the statewide average of all  
22 community colleges for fiscal year 1997-98 may also certify to the  
23 county board of equalization of each county within the community  
24 college area a tax levy up to an additional one-half cent for each  
25 of fiscal years 2005-06 and 2006-07, on each one hundred dollars on

1 the taxable valuation of all property within the community college  
2 area, uniform throughout such area. Such tax levy shall not be so  
3 certified unless approved by an affirmative vote of three-fourths  
4 of the board taken at a public meeting of the board following  
5 notice and a hearing. The board shall give at least seven days'  
6 notice of such public hearing and shall publish such notice once in  
7 a newspaper of general circulation in the area to be affected by  
8 the increase.

9           ~~(3)~~ (4) The levy provided by subdivision ~~(2)(a)~~  
10 subsection (2) of this section may be exceeded by that amount  
11 necessary to retire the general obligation bonds assumed by the  
12 community college area or issued pursuant to section 85-1515  
13 according to the terms of such bonds or for any obligation pursuant  
14 to section 85-1535 entered into prior to January 1, 1997.

15           ~~(4)~~ (5) The ~~tax~~ taxes provided by this section shall be  
16 levied and assessed in the same manner as other property taxes and  
17 entered on the books of the county treasurer. The proceeds of the  
18 tax, as collected, shall be remitted to the treasurer of the board  
19 not less frequently than once each month.

20           Sec. 23. Section 85-1521, Reissue Revised Statutes of  
21 Nebraska, is amended to read:

22           85-1521 Each board may, by resolution or agreement,  
23 pledge all or any part of the revenue and fees derived from  
24 the operation of the dormitories, residence halls, single-dwelling  
25 units, multiple-dwelling units, buildings, and other facilities for

1 housing, boarding, medical care, and other activities of students,  
2 faculty, or employees of the institution under its control erected  
3 or acquired or previously erected or acquired by any such board  
4 and contract as to the care, insurance, management, and operation  
5 of such buildings and facilities and the charges to be made and  
6 the rights of the holders of the revenue bonds. When any board  
7 contracts that the operation of any building or facility or part  
8 thereof shall be performed other than by the board itself, such  
9 board shall at all times maintain supervision of and control  
10 over the fees and charges imposed for the use of such building,  
11 facility, or part. In issuing revenue bonds and pledging revenue  
12 therefor, the board may pledge all or any part of the revenue  
13 and fees from buildings and facilities other than the building or  
14 facility to be constructed. Bonds issued under sections 85-1520 to  
15 85-1527 shall not be an obligation of the State of Nebraska, and  
16 no tax shall ever be levied to raise funds for the payment thereof  
17 or interest thereon. The bonds shall constitute limited obligations  
18 of the board issuing the same and shall be paid solely out of  
19 money derived from the revenue and earnings pledged as provided in  
20 sections 85-1501 to 85-1540 and section 18 of this act.

21           Sec. 24. Section 85-1535, Reissue Revised Statutes of  
22 Nebraska, is amended to read:

23           85-1535 A board of a community college area with a  
24 population of less than one hundred thousand according to the  
25 last federal decennial census and a campus located on a former

1 military base may enter into contracts with any person, firm,  
2 or corporation providing for the implementation of any project  
3 for the constructing and improving of facilities to house applied  
4 technology educational programs necessary to carry out sections  
5 85-1501 to 85-1540 and section 18 of this act and providing for the  
6 long-term payment of the cost of such project.

7           In no case shall any such contract run for a period  
8 longer than twenty years or shall the aggregate of existing  
9 contracts exceed four million five hundred thousand dollars for  
10 each area exclusive of administrative costs, credit enhancement  
11 costs, financing costs, capitalized interest, and reserves  
12 dedicated to secure payment of contracts.

13           No contract shall be entered into pursuant to this  
14 section without prior approval by a resolution of the board and  
15 the approval of the Coordinating Commission for Postsecondary  
16 Education.

17           The long-term payment of the cost of such project shall  
18 be paid from revenue to be raised pursuant to ~~subdivision (2)(a)~~  
19 subsection (2) of section 85-1517. Any board entering into such  
20 contract for the construction and improvement of facilities from  
21 revenue to be raised pursuant to such subdivision shall make annual  
22 appropriations for amounts sufficient to pay annual obligations  
23 under such contract for the duration of such contract.

24           The board may also convey or lease and lease back all  
25 or any part of the project and the land on which such project

1 is situated to such person, firm, or corporation as the board may  
2 contract with pursuant to this section to facilitate the long-term  
3 payment of the cost of such project. Any such conveyance or lease  
4 shall provide that when the cost of such project has been paid,  
5 together with interest and other costs thereon, such project and  
6 the land on which such project is located shall become the property  
7 of the community college area.

8 Sec. 25. Section 85-2201, Reissue Revised Statutes of  
9 Nebraska, is amended to read:

10 85-2201 Sections 85-2201 to 85-2229 and sections 28, 31,  
11 32, 33, 36, 38, 39, 44, and 47 of this act shall be known and may  
12 be cited as the Community College ~~Foundation~~ and Equalization Aid  
13 Act.

14 Sec. 26. Section 85-2202, Reissue Revised Statutes of  
15 Nebraska, is amended to read:

16 85-2202 The Community College ~~Foundation~~ and Equalization  
17 Aid Fund is created. The fund shall be used to provide state  
18 aid to community college areas pursuant to the Community College  
19 ~~Foundation~~ and Equalization Aid Act. Any money in the Community  
20 College ~~Foundation~~ and Equalization Aid Fund available for  
21 investment shall be invested by the state investment officer  
22 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
23 State Funds Investment Act. Any money in the Community College  
24 Foundation and Equalization Aid Fund on the effective date of this  
25 act shall be transferred to the Community College Equalization Aid

1 Fund on such date.

2           Sec. 27. Section 85-2203, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           85-2203 For purposes of the Community College ~~Foundation~~  
5 ~~and~~ Equalization Aid Act, the definitions found in sections 85-2204  
6 to 85-2220 and sections 28, 31, 32, 36, 38, and 39 of this act  
7 apply.

8           Sec. 28. Adjusted tuition and fees means tuition and fees  
9 multiplied by ninety percent.

10          Sec. 29. Section 85-2205, Reissue Revised Statutes of  
11 Nebraska, is amended to read:

12          85-2205 Base growth factor means:

13           (1) For the calculation of aid for fiscal year 2008-09,  
14 the base limitation described in section 77-3446 minus one-half  
15 percent; and

16           (2) For the calculation of aid for fiscal year 2009-10,  
17 ~~and each fiscal year thereafter,~~ the base limitation described in  
18 section 77-3446 plus one-half percent; ~~and-~~

19           (3) For the calculation of aid for fiscal year 2010-11  
20 and each fiscal year thereafter, the base limitation described in  
21 section 77-3446 minus one and one-half percent.

22          Sec. 30. Section 85-2206, Reissue Revised Statutes of  
23 Nebraska, is amended to read:

24          85-2206 Base revenue need means the amount calculated for  
25 each community college area pursuant to section 85-2223.

1           Sec. 31. Formula resources means the amount calculated  
2 for each community college area pursuant to subdivision (2) of  
3 section 85-2224 or subdivision (2) of section 44 of this act.

4           Sec. 32. Formula tuition and fees means the amount  
5 calculated for each community college area pursuant to subdivision  
6 (3) (b) of section 85-2224 or subdivision (3) (b) of section 44 of  
7 this act.

8           Sec. 33. Full-time equivalent student need means the  
9 amount calculated pursuant to subdivision (2) (d) of section  
10 85-2223.

11           Sec. 34. Section 85-2212, Reissue Revised Statutes of  
12 Nebraska, is amended to read:

13           85-2212 Prior year revenue means:

14           (1) For fiscal years before fiscal year 2010-11, (a) the  
15 lesser of (i) the total of general fund property taxes levied in  
16 the fiscal year immediately preceding the fiscal year for which  
17 aid is being calculated or (ii) the local effort rate calculated  
18 pursuant to section 85-2224 multiplied by the property valuation  
19 for each community college area divided by one hundred plus (b)  
20 state aid, tuition, and fees reported on the accrual basis of  
21 accounting in the fiscal year immediately preceding the fiscal year  
22 for which aid is being calculated;

23           (2) For fiscal year 2010-11, for each community college  
24 area, (a) means ~~(1)~~ the lesser of ~~(a)~~ (i) the total of general fund  
25 property taxes levied by each community college area in the fiscal

1 year immediately preceding the fiscal year for which aid is being  
2 calculated or ~~(b)~~ (ii) the local effort rate calculated pursuant  
3 to section 85-2224 for the fiscal year immediately preceding  
4 the fiscal year for which aid is being calculated multiplied by  
5 the property valuation for each community college area from the  
6 most recent Certificate of Taxes Levied required under section  
7 77-1613.01 divided by one hundred, plus ~~(2)~~ (b) state aid, tuition,  
8 and fees reported on the accrual basis of accounting received  
9 by each community college area in the fiscal year immediately  
10 preceding the fiscal year for which aid is being calculated, plus  
11 (c) adjusted tuition and fees reported by each community college  
12 area in the fiscal year immediately preceding the fiscal year for  
13 which aid is being calculated.

14 For purposes of the calculation provided in subdivision  
15 (2)(a)(ii) of this section, the local effort rate for the  
16 immediately preceding fiscal year shall be reduced by one cent; and

17 (3) For fiscal year 2011-12 and each fiscal year  
18 thereafter, for each community college area, (a) the lesser of  
19 (i) the total of general fund property taxes levied by each  
20 community college area in the fiscal year immediately preceding the  
21 fiscal year for which aid is being calculated or (ii) the local  
22 effort rate calculated pursuant to section 44 of this act for the  
23 fiscal year immediately preceding the fiscal year for which aid  
24 is being calculated multiplied by the property valuation for each  
25 community college area from the most recent Certificate of Taxes

1 Levied required under section 77-1613.01 divided by one hundred,  
2 plus (b) state aid received by each community college area in the  
3 fiscal year immediately preceding the fiscal year for which aid  
4 is being calculated, plus (c) adjusted tuition and fees reported  
5 by each community college area in the fiscal year immediately  
6 preceding the fiscal year for which aid is being calculated.

7           Sec. 35. Section 85-2215, Reissue Revised Statutes of  
8 Nebraska, is amended to read:

9           85-2215 Reimbursable educational unit need equals the  
10 amount calculated in subdivision ~~(2)(d)~~ (2)(e) of section 85-2223.

11           Sec. 36. State aid means the total amount received from  
12 equalization aid pursuant to the Community College Foundation and  
13 Equalization Aid Act or the Community College Equalization Aid Act.

14           Sec. 37. Section 85-2220, Reissue Revised Statutes of  
15 Nebraska, is amended to read:

16           85-2220 System foundation need means the amount  
17 calculated pursuant to subdivision ~~(2)(g)~~ (2)(h) of section  
18 85-2223.

19           Sec. 38. Tuition and fees means the total revenue from  
20 all tuition and mandatory fees, net of refunds, that was reported  
21 on the accrual basis of accounting in the fiscal year prior to the  
22 fiscal year for which aid is being calculated.

23           Sec. 39. Yield from the local effort rate means  
24 the amount calculated for each community college pursuant to  
25 subdivision (3)(a) of section 85-2224 or subdivision (3)(a) of

1 section 44 of this act.

2           Sec. 40. Section 85-2221, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           85-2221 The Coordinating Commission for Postsecondary  
5 Education shall adopt and promulgate rules and regulations to carry  
6 out the Community College Equalization Aid Act. The commission  
7 shall consult with the Department of Revenue and the Department  
8 of Administrative Services in the development of such rules and  
9 regulations and any subsequent revisions.

10           Each community college area shall annually report such  
11 data as necessary to carry out the Community College ~~Foundation~~  
12 ~~and~~ Equalization Aid Act to the Coordinating Commission for  
13 Postsecondary Education. ~~Each community college area shall annually~~  
14 ~~provide the commission with a reconciliation of the data necessary~~  
15 ~~to carry out the act with audited financial statement information.~~  
16 Such data shall be derived from the annual examination and audit  
17 required pursuant to section 85-1511 and shall be collected  
18 and reported by each community college area in accordance with  
19 procedures established by the commission pursuant to section  
20 85-1412. The commission shall provide the Department of Revenue  
21 with the data necessary to calculate aid pursuant to the Community  
22 College Equalization Aid Act.

23           Sec. 41. Section 85-2222, Reissue Revised Statutes of  
24 Nebraska, is amended to read:

25           85-2222 (1) The Legislature, in an effort to promote

1 quality postsecondary education and to avoid excessive and  
2 disproportionate taxation upon the taxable property of each  
3 community college area, may appropriate each biennium from such  
4 funds as may be available an amount for aid and assistance to the  
5 community colleges. The Legislature recognizes that education, as  
6 an investment in human resources, is fundamental to the quality  
7 of life and the economic prosperity of Nebraskans and that aid to  
8 the community colleges furthers these goals. It is the intent of  
9 the Legislature that such appropriations reflect the commitment  
10 of the Legislature to join with local governing bodies in a  
11 strong and continuing partnership to further advance the quality,  
12 responsiveness, access, and equity of Nebraska's community colleges  
13 and to foster high standards of performance and service so that  
14 every citizen, community, and business will have the opportunity  
15 to receive quality educational programs and services regardless  
16 of the size, wealth, or geographic location of the community  
17 college area or tribally controlled community college as defined  
18 in section 85-1503 by which that citizen, community, or business  
19 is served. Such funds so appropriated by the Legislature shall  
20 be allocated, adjusted, and distributed to the community college  
21 boards of governors as provided in the Community College ~~Foundation~~  
22 ~~and~~ Equalization Aid Act.

23 (2) The Department of Revenue shall certify aid amounts  
24 pursuant to the act and report such amounts to the Department of  
25 Administrative Services. The Department of Administrative Services

1 shall distribute the total of such appropriated and allocated funds  
2 to the boards of governors in ten as nearly as possible equal  
3 monthly payments between the fifth and twentieth day of each month  
4 beginning in September of each year.

5 (3) The Department of Administrative Services shall  
6 reduce the amount of the distribution to a board of governors  
7 by the amount of funds used by the community college area to  
8 provide a program or capital construction project as such term  
9 is defined in section 85-1402 which has not been approved or has  
10 been disapproved by the Coordinating Commission for Postsecondary  
11 Education pursuant to the Coordinating Commission for Postsecondary  
12 Education Act.

13 (4) The Department of Revenue shall calculate an  
14 adjustment to the amount of aid certified to each community college  
15 area for fiscal year 2010-11. The adjustment for each college area  
16 shall equal (a) the absolute value of the reduction in aid to  
17 the community college area that resulted from the decrease in the  
18 appropriation to the Community College Foundation and Equalization  
19 Aid Act for fiscal year 2009-10 approved during the One Hundred  
20 First Legislature, First Special Session, 2009, minus (b) the  
21 absolute value of the reduction in aid to the community college  
22 area that would have resulted if the base revenue need for the  
23 community college area for fiscal year 2009-10 had been reduced  
24 by the product of (i) the community college area's proportionate  
25 share of the total statewide base revenue need for fiscal year

1 2009-10 multiplied by (ii) the amount of the decrease in the  
2 appropriation to the Community College Foundation and Equalization  
3 Aid Act for fiscal year 2009-10 approved during the One Hundred  
4 First Legislature, First Special Session, 2009. The amount of the  
5 adjustment shall be added to the aid calculated for each community  
6 college area for fiscal year 2010-11.

7           Sec. 42. Section 85-2223, Reissue Revised Statutes of  
8 Nebraska, is amended to read:

9           85-2223 (1) The Department of Revenue shall annually  
10 calculate the base revenue need for each community college area as  
11 follows:

12           (a) For fiscal year 2008-09, base revenue need for  
13 each community college area shall equal one plus the greater  
14 of zero or the average annual percentage growth in full-time  
15 equivalent enrollments attributable to each community college area  
16 for the most recent three fiscal years times the sum of (i) system  
17 foundation need plus (ii) reimbursable educational unit need plus  
18 (iii) the revenue remainder allowance for each community college  
19 area. The average annual percentage growth shall be calculated by  
20 taking the difference between the three-year full-time equivalent  
21 enrollment average for the current funding year and the three-year  
22 full-time equivalent enrollment average for the prior funding year  
23 and dividing by the three-year full-time equivalent enrollment  
24 average from the prior funding year; and

25           (b) For fiscal year 2009-10, and each fiscal year

1 ~~thereafter~~, base revenue need for each community college area  
2 shall equal the greater of ninety-eight percent of the base  
3 revenue need calculated in the prior year or one plus the greater  
4 of zero or the average annual percentage growth in full-time  
5 equivalent enrollments attributable to each community college  
6 area times the sum of (i) system foundation need plus (ii)  
7 reimbursable educational unit need plus (iii) the average revenue  
8 remainder allowance. The average annual percentage growth shall  
9 be calculated by taking the difference between the three-year  
10 full-time equivalent enrollment average for the current funding  
11 year and the three-year full-time equivalent enrollment average for  
12 the prior funding year and dividing by the three-year full-time  
13 equivalent enrollment average from the prior funding year; and-

14 (c) For fiscal year 2010-11 and each fiscal year  
15 thereafter, base revenue need for each community college area  
16 shall equal the greater of ninety-eight percent of the base revenue  
17 need calculated in the prior year or one plus the greater of zero  
18 or the full-time equivalent enrollment growth factor attributable  
19 to each community college area times the sum of (i) system  
20 foundation need plus (ii) full-time-equivalent student need plus  
21 (iii) reimbursable educational unit need. The full-time equivalent  
22 enrollment growth factor shall be calculated by subtracting the  
23 three-year full-time-equivalent enrollment average for the prior  
24 funding year from the three-year full-time-equivalent enrollment  
25 average for the current funding year, dividing the result by the

1 three-year full-time-equivalent enrollment average from the prior  
2 funding year, then multiplying the quotient by twenty-five percent.

3 (2) For purposes of the calculation required pursuant to  
4 this section:

5 (a) Average need adjustment shall be calculated for  
6 fiscal year 2007-08 aid distribution as follows: Average need  
7 adjustment shall equal the sum of average adjusted revenue  
8 per full-time equivalent student minus the adjusted revenue  
9 per full-time equivalent student times the number of full-time  
10 equivalent students attributable to each community college area  
11 up to the number of full-time equivalent students attributable to  
12 the community college area with the fewest number of full-time  
13 equivalent students, except that the amount shall not be less than  
14 negative seven hundred fifty thousand or greater than seven hundred  
15 fifty thousand. For purposes of the average need adjustment, (i)  
16 adjusted revenue per full-time equivalent student equals the sum  
17 of the prior year revenue for each community college area minus  
18 the system foundation need divided by the number of full-time  
19 equivalent students for each community college area and (ii)  
20 average adjusted revenue per full-time equivalent student equals  
21 the sum of the prior year revenue for all community college areas  
22 minus the system foundation need for all areas divided by the  
23 number of full-time equivalent students for all areas;

24 (b) Average revenue remainder allowance shall equal the  
25 average revenue remainder per reimbursable educational unit times

1 the average number of reimbursable educational units for each  
2 community college area for the most recent three fiscal years;

3 (c) Average revenue remainder per reimbursable  
4 educational unit equals the revenue remainder allowance for  
5 all community college areas divided by the average number of  
6 reimbursable educational units in all community college areas for  
7 the most recent three fiscal years;

8 (d) Full-time equivalent student need for each community  
9 college area equals twenty percent of formula base revenue  
10 calculated pursuant to section 85-2209 divided by the total  
11 three-year full-time-equivalent enrollment average of all community  
12 college areas for the current funding year multiplied by the  
13 three-year full-time-equivalent enrollment average attributable to  
14 each community college area for the current funding year;

15 ~~(d)~~ (e) Reimbursable educational unit need for each  
16 community college area equals (i) for fiscal years before fiscal  
17 year 2010-11, the product of the state foundation amount times  
18 forty percent divided by the total reimbursable educational units  
19 of all community college areas times the number of reimbursable  
20 educational units attributable to each community college area and  
21 (ii) for fiscal year 2010-11 and each fiscal year thereafter, sixty  
22 percent of formula base revenue calculated pursuant to section  
23 85-2209 divided by the average number of reimbursable educational  
24 units in all community college areas for the most recent three  
25 fiscal years multiplied by the average number of reimbursable

1 educational units for each community college area for the most  
 2 recent three fiscal years;

3 ~~(e)~~ (f) Revenue remainder allowance equals the formula  
 4 base revenue attributable to each community college area minus the  
 5 sum of system foundation need plus reimbursable educational unit  
 6 need;

7 ~~(f)~~ (g) State foundation amount equals formula base  
 8 revenue times the state foundation percentage;

9 ~~(g)~~ (h) System foundation need for each community college  
 10 area equals (i) for fiscal years before fiscal year 2010-11, the  
 11 product of the state foundation amount times sixty percent divided  
 12 by the number of community college areas and (ii) for fiscal year  
 13 2010-11 and each fiscal year thereafter, twenty percent of formula  
 14 base revenue calculated pursuant to section 85-2209 divided by the  
 15 number of community college areas;

16 ~~(h)~~ (i) Funding year, ~~for purposes of calculating average~~  
 17 ~~annual percentage growth,~~ means the fiscal year for which aid is  
 18 being calculated; and

19 ~~(i)~~ (j) Three-year full-time equivalent enrollment  
 20 average for any given funding year equals the sum of the audited  
 21 full-time equivalent enrollment for the three years preceding the  
 22 funding year divided by three.

23 Sec. 43. Section 85-2224, Reissue Revised Statutes of  
 24 Nebraska, is amended to read:

25 85-2224 For fiscal years prior to fiscal year 2010-11:

1           (1) The Department of Revenue shall calculate local  
 2 effort rate by dividing the sum of (a) the total of base  
 3 revenue need for all community college areas minus (b) the amount  
 4 appropriated by the Legislature pursuant to the Community College  
 5 Foundation and Equalization Aid Act minus (c) the total formula  
 6 tuition and fees for all community college areas by the total  
 7 taxable valuation from the most recent Certificate of Taxes Levied  
 8 required under section 77-1613.01 for all community college areas  
 9 times one hundred;~~;~~

10           (2) The department shall calculate the formula resources  
 11 available to each community college area by adding the yield from  
 12 local effort rate plus ~~local~~ formula tuition and fees; and.

13           (3) For purposes of the calculation required pursuant to  
 14 this section:

15           (a) The yield from local effort rate for each community  
 16 college area equals the local effort rate times the total taxable  
 17 valuation certified to each community college area pursuant to  
 18 the most recent Certificate of Taxes Levied required under section  
 19 77-1613.01 divided by one hundred; and

20           (b) ~~Local formula~~ Formula tuition and fees equals tuition  
 21 and fees attributable to each community college area that were  
 22 reported on the accrual basis of accounting in the fiscal year  
 23 prior to the fiscal year for which aid is to be calculated.

24           Sec. 44. For fiscal year 2010-11 and all fiscal years  
 25 thereafter:

1           (1) The Department of Revenue shall calculate local  
2 effort rate by dividing the sum of (a) the total of base  
3 revenue need for all community college areas minus (b) the  
4 amount appropriated by the Legislature to the Community College  
5 Equalization Aid Act for the fiscal year for which aid is  
6 being calculated minus (c) the adjusted tuition and fees for all  
7 community college areas by the then-current year's total taxable  
8 valuation certified by the county assessor pursuant to section  
9 13-509 for all community college areas times one hundred. If the  
10 amount appropriated to the Community College Equalization Aid Act  
11 for any fiscal year is decreased following the calculation of the  
12 local effort rate by the department pursuant to this subdivision,  
13 the department shall reduce the base revenue need of each community  
14 college area for such fiscal year by an amount equal to each  
15 community college area's proportionate share of the total statewide  
16 base revenue need for the fiscal year multiplied by the amount of  
17 the decrease in the appropriation for the fiscal year;

18           (2) The department shall calculate the formula resources  
19 available to each community college area by adding (a) the yield  
20 from local effort rate plus (b) formula tuition and fees; and

21           (3) For purposes of the calculation required pursuant to  
22 subsection (2) of this section:

23           (a) The yield from local effort rate for each community  
24 college area equals the local effort rate times the then-current  
25 year's total taxable values certified to each community college

1 area pursuant to section 13-509 divided by one hundred; and  
2 (b) Formula tuition and fees for each community college  
3 area equals the adjusted tuition and fees for all community  
4 college areas divided by the full-time equivalent enrollment of all  
5 community college areas for the fiscal year immediately preceding  
6 the fiscal year for which aid is being calculated multiplied by the  
7 full-time equivalent enrollment of each community college area for  
8 the fiscal year immediately preceding the fiscal year for which aid  
9 is being calculated.

10 Sec. 45. Section 85-2227, Reissue Revised Statutes of  
11 Nebraska, is amended to read:

12 85-2227 The maximum levy for each community college  
13 area shall be certified by the Department of Revenue annually  
14 and shall equal one hundred twenty percent of the local effort  
15 rate calculated pursuant to section 85-2224 plus amounts allowed  
16 pursuant to ~~subsection (2)~~ subsections (2) and (3) of section  
17 85-1517.

18 Sec. 46. Section 85-2228, Reissue Revised Statutes of  
19 Nebraska, is amended to read:

20 85-2228 For ~~fiscal year~~ years 2008-09 and ~~for each fiscal~~  
21 ~~year thereafter,~~ 2009-10, a minimum levy aid reduction shall apply  
22 to any community college area that does not levy at least eighty  
23 percent of the local effort rate calculated pursuant to section  
24 85-2224 for the fiscal year immediately preceding the fiscal year  
25 for which aid is being calculated.

1           The minimum levy aid reduction shall equal the difference  
2 between the amount of revenue collected by the community college  
3 area as a result of its levy and the amount of revenue that would  
4 have been collected using eighty percent of the local effort rate  
5 in the prior fiscal year. The Department of Revenue shall reduce  
6 the amount of aid by an amount equal to the minimum levy aid  
7 reduction.

8           Sec. 47. For fiscal year 2011-12 and for each fiscal  
9 year thereafter, a minimum levy aid reduction shall apply to  
10 any community college area that did not, for the fiscal year  
11 immediately preceding the fiscal year for which aid is being  
12 calculated, levy at least eighty percent of the local effort rate  
13 for such fiscal year calculated pursuant to section 44 of this act.

14           The minimum levy aid reduction shall equal the difference  
15 between the amount of revenue collected by the community college  
16 area as a result of its levy and the amount of revenue that would  
17 have been collected using eighty percent of the local effort rate  
18 in the prior fiscal year. The Department of Revenue shall reduce  
19 the amount of aid by an amount equal to the minimum levy aid  
20 reduction.

21           Sec. 48. Section 86-594, Reissue Revised Statutes of  
22 Nebraska, is amended to read:

23           86-594 (1) Except as provided in the Educational Service  
24 Units Act and sections 79-1319, 81-1120.01 to 81-1120.28, 85-401 to  
25 85-418, 85-1501 to 85-1542 and section 18 of this act, and 86-575,

1 an agency or political subdivision of the state that is not a  
2 public power supplier shall not provide on a retail or wholesale  
3 basis any broadband services, Internet services, telecommunications  
4 services, or video services.

5 (2) The provisions of subsection (1) of this section  
6 shall not apply to services which an agency or political  
7 subdivision of the state was authorized to provide and was  
8 providing prior to January 1, 2005.

9 Sec. 49. Original sections 77-3442, 85-960.02, 85-962,  
10 85-966.01, 85-1404, 85-1413, 85-1416, 85-1418, 85-1429, 85-1501,  
11 85-1501.01, 85-1502, 85-1503, 85-1511, 85-1515, 85-1516, 85-1517,  
12 85-1521, 85-1535, 85-2201, 85-2202, 85-2203, 85-2205, 85-2206,  
13 85-2212, 85-2215, 85-2220, 85-2221, 85-2222, 85-2223, 85-2224,  
14 85-2227, 85-2228, and 86-594, Reissue Revised Statutes of Nebraska,  
15 and sections 13-509, 13-518, 13-519, and 85-1412, Revised Statutes  
16 Supplement, 2009, are repealed.

17 Sec. 50. Since an emergency exists, this act takes effect  
18 when passed and approved according to law.